

FY 2012 MOE Compliance Report Open

The IDEA Maintenance of Effort Compliance Report and Exception software is now available to LEAs through the Special Education Web Portal at <https://www2.dpi.state.wi.us/seportal/Pages/SignIn.aspx>. All individuals who have access to the LEA's IDEA budgets will see "IDEA Maintenance of Effort" in the Applications table on the Local Performance Plan Main Menu page.

The MOE compliance report pulls in expenditure data from the PI 1505 Special Education Annual Report. The MOE compliance report pulls in revenue and transfer data from the PI 1505 Annual Report (SAFR). If your LEA has not yet entered data into these reports, the MOE compliance report will show a status of "failed" because it is comparing zero amounts for fiscal year 2012 to amounts reported for fiscal year 2011.

MOE compliance will not be determined until after September 30, 2012. However, LEAs are encouraged to submit their fiscal information prior to September 30 so appropriate measures can be taken to meet MOE compliance. This may include, for some LEAs, a return of IDEA grant funds claimed so special education expenditures can instead be covered with local funds.

MOE and Open Enrollment Technical Assistance

Due to the questions around open enrollment coding, the following technical assistance document has been created: <http://www.dpi.wi.gov/sped/pdf/moe-oe-calculator.pdf>. Prior to fiscal year 2012, LEAs coded the flat-rate open enrollment (OE) amount tied to students with disabilities in fund 27. Because this amount is not considered an excess cost of providing special education, LEAs have been asked to code the flat-rate OE costs for all students in fund 10. It was optional for LEAs to begin doing this in FY 2012 and will be required coding in FY 2013.

For most, this will not cause an LEA to fail all four tests when analyzing compliance with the MOE requirement. MOE Test #1 is based on total expenditures and revenue whereas Test #2 is based on net local costs only (the fund 10 transfer). When source 347 OE revenue is removed from Test #1, the amount transferred from fund 10 will increase. This, in turn, causes the LEA to pass Test #2.

The "MOE – Open Enrollment Coding" technical assistance document describes the process DPI will use to determine compliance if the LEA believes that the recoding of open enrollment costs is the cause of LEA MOE failure. These steps should be completed by the LEA prior to requesting an administrative MOE exception based on open enrollment coding.

MOE and Late Medicaid Payments

If an LEA received Medicaid payments from expenditures that were incurred **PRIOR** to FY 2010-11, and the LEA believes this is why the LEA failed MOE compliance, then an administrative exception for MOE may be possible.

The LEA will need to e-mail rachel.zellmer@dpi.wi.gov with the Medicaid revenue information, including the amounts tied to the year the expenditures were incurred. For example, District A would e-mail the following information: \$8,647 2009-10 MAC; \$34,809 2009-10 Cost Settlement. DPI will create an MOE scenario calculator to determine if MOE would have been met the year the revenue should have been received. If MOE would have been met, the new amounts are carried forward into FY 2011-12. An administrative exception will be entered for the amount the LEA fails to maintain effort.